**Executive Summary - Business Plan 2015/16**

This business plan reflects the work to date of the NHS Leadership Academy (the Academy). It also reflects the refocussing of our work to more explicitly support the vision of the Five Year Forward View (5YFV) and an increasing need to support leaders in health work across broader system boundaries. It holds as central our key supporting principles, maintains our existing mission and vision, and builds on feedback from participants to date on our progress and achievements.

**Our mission**

To develop outstanding leadership in health, in order to improve people’s health and their experiences of health and care. We will aim to do this by:

* Professionalising leadership: raising the profile, performance and impact of health system leaders, requiring and supporting them to demonstrate their fit and proper readiness to carry out their leadership role and defining what we expect from them
* Broadening, and where necessary changing, the range of leadership behaviours people in the health system use
* Working in partnership to make leadership in the health system more inclusive and representative of the communities it serves
* Developing leaders who are more innovative and can create a climate where innovation can flourish

**Progress**

Since April 2012, when the Academy was first formed, the Academy has made significant progress in transforming leadership across the health and care system for the benefit of patient care and experience. We have moved from a small collection of pre-existing offers to an organisation which is gaining international interest for the pace, scale and quality of leadership development offered to leaders in health.

We have taken a robust evidence based approach to redefining what leadership in health looks like – our Healthcare Leadership Model describes definitively the behaviours, characteristics, capabilities and attitudes of leadership in health that is most likely to lead to a more effective and productive leader.

Our talent management toolkit provides in one place a whole suite of resources, case studies, toolkits and best practice guidance on how teams and organisations can best identify, support and manage talent for effective succession planning. Alongside networks and programmes of support, this suite of offers provides everything the NHS needs to learn from international best practice on managing the wealth of talent we have.

Our range of professional programmes provides an offer that meets the needs of individuals working in health and care, regardless of seniority, profession and organisation type or career stage.

We have responded to requests and commissions from senior stakeholders and sponsors to provide specific support to CCG leaders, cross-sector leaders, nursing and midwifery leaders from frontline to senior operational posts, executive fast track leaders and aspirant nurse leaders.

We have engaged directly with around 34,000 leaders in health – across the whole system and beyond the NHS, to ensure that leadership development that improves staff engagement for the benefit of patient care becomes a central theme of leaders’ on-going learning and improvement in practice.

We have responded to numerous reviews and enquiries to reaffirm our commitment to evidenced-based, relevant, high quality and timely support to the leadership community in health.

**Impact**

We constantly review our programmes and products to ensure they continue to focus on the difference made to patients, carers, communities and citizens. For the vast majority of our programmes, participants are required to demonstrate the impact their learning has had on the service they provide. We also use external and independent evaluations of our work and practice to ensure we are using a robust methodology to critique our work. More detail around the specifics of programme evaluation is covered in the ‘Research, Evaluation and Impact’ section of the plan.

**Areas for development**

The pace and scale of the development of the Academy has resulted in some key areas of work needing significant development. These are detailed in the business plan and include:

* Our relationship and work with Local Delivery Partners (LDPs) has been effective in some areas but not all. Further work is required to ensure a consistent and rigorous approach which reflects local and national needs.
* Diversity of senior leadership in health is still significantly less than we would hope. The evidence for the creation of diverse talent pools is overwhelming. We have focused on the meso and micros issues surrounding lack of diversity in leadership – with a particular emphasis on ensuring fair access to programmes and support for BME leaders. However the macro influencers and activities to support more rapid progress need further work and a significant focus from the Academy.
* Although the Academy has reached many thousands of individual leaders and has developed strong relationship with many stakeholders, our stakeholder perceptions review identifies a lack of awareness of the Academy in some areas, which will be addressed through the year.

**Focus for the coming year**

The Academy is entering a very exciting period in 2015/16 and will focus on increasing the scale of delivery of its suite of professional development programmes. In order to achieve this, the Academy will develop and implement a creative new income generating business model, which meets the needs of individual teams and organisations. The Academy will also develop a broader remit across the NHS and wider health and social care to ensure it is representative of the whole health and care system.

2015/16 will see the Academy continue in its work to review the content of its programmes and products in line with the 5YFV.

**Finance**

The Academy has a confirmed 2015/16 budget from NHS England of £44.7m to support ongoing leadership programmes. This represents a £2m reduction (4.3%) against baseline budget in comparison to 2014/15.The Academy is in the process of developing an income generation approach to support our activity which will include moving to a co-funded approach and being more tailored to participant needs through a membership model.

In addition to NHS England funding, it is our intention to generate additional income to fund further Core Professional Development Programmes. The Academy is being required to demonstrate how its strategy and approach supports national direction and strategy, the evidence base for investment decisions, how quality is assured and how any financial decisions show best value.

This is how the budget allocation is intended to be spent in 2015/16:

1. LDP’s: (£15m).We are working to ensure a robust method for monitoring locality spends and holding LDP’s to account. The LDP spend is split with £7.5m for delivering the SLA by locality and £7.5m towards collective work areas, which are subject to a rigorous submission process. Likely priority areas will be:

* Support to core programmes
* CCG/primary care development
* Talent Management
* Clinical leadership
* Patient leadership
* Inclusion/diversity
* Systems leadership
* Evaluation
* Building improvement capability

1. Professional Development Programmes (£22.1m). We will continue to prioritise the funding for these programmes to the value of at least £22.1m per annum for 2015/16, all of which is pre-committed programme delivery. The Core Professional Development Programmes base model only funds Spring Programmes and nothing more. The aspirational model is to do more activity for Autumn, and in 2016/17. Significant additional funds are required to be generated to finance this increased level of activity, through charging the NHS for Programmes.
2. Entry to Leadership (formerly GMTS): (£11.7m).We will continue to develop and refine our hugely successful graduate schemes to identify and bring in talented graduates to the NHS at a cost of £11.7m for 2015/16. The projected intake for 2015/16 is 97 trainees on 2 to 2.5 year-long development programmes.

1. Core Enabling and Essential Development (£2m) work includes £0.6m for Top Leaders, and Systems Leadership totals £0.3m. Top Leaders portfolio is also included at £0.2m. Our intent is to pursue investment in all these portfolios, as finding, developing and supporting talent is an integral element across our programmes. It is also the intention to commence charging for these programmes going forward. The Intersect Programme will cost £0.3m, with Ready Now (£0.2m) and Stepping Up costing £0.1m.
2. Corporate Overheads: (£2m) we will ensure our overheads are lean and are 5% or less. A 4% reduction in administration costs is planned in year, reducing overall costs to £2m.
3. Additional income of £8m is expected to be generated to support this expenditure, with £3.5m already confirmed.

**Identifiable Risks**

The Academy ensures that risks are identified and methods are in place to mitigate or avoid the impact. Key risks for the Academy in 2015/16 include the transition following the Smith review, implications for our LDPs and the Academy’s new business model.